

MCC Guidance on Quarterly Accountable Entity Disbursement Request and Reporting Package

March 1, 2018



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Introduction

Each Accountable Entity shall prepare and submit to MCC on a quarterly basis a Disbursement Request Package for all relevant funding sources, including: CDF (609g and CIF), compact and threshold program. The Accountable Entity is responsible for drafting all of the documents in this Guidance. The Disbursement Request (DR) identifies resources needed for program implementation in the upcoming quarter specific for each funding source as mentioned above. The accompanying package of materials is designed to provide MCC with the information necessary to approve the DR and grant spending authority to the Accountable Entity each quarter. The package provides information on execution of program activities, financial management, procurement actions, progress towards compact or threshold program goals (as defined by M&E indicators), and status of conditions precedent to disbursement. The package also details projected commitments and disbursements for the upcoming quarters. The granting of spending authority will be contingent on the quarterly package being satisfactory to MCC in form and substance. The Quarterly Disbursement Request Package (QDRP), including all reports listed below, shall be submitted via email for compacts, and for threshold programs prior to the start of the quarter for which funds are requested.

The package is to be submitted to MCC for approval twenty (20) days prior to the end of each quarter (on March 10, June 10, September 10 and December 10; or the following business day if the 10th falls on a weekend or holiday). Final submissions are expected to be approved by MCC before the final day of the quarter, following necessary updates by the Accountable Entity to respond to fatal-flaw comments issued by MCC. Templates for all components of the package are available as annexes to this guidance on the MCC website at:

https://www.mcc.gov/resources?fwp_resource_type=compact-implementation-guidance

As agreed by MCC, the Accountable Entity is requested, but not required, to submit the QDRP to MCC for technical review prior to formal submission at least two weeks prior to the 20 day approval date (i.e. February 26th, March 28th, August 27th, and November 26th). Technical reviews can be conducted informally through e-mail submission or through entry in MCC MIS.

MCC approves QDRP packages via a Disbursement Response Letter (DRL) ¹.

The package consists of a set of core documents that are required across funding sources as follows:

Document Required for:

1	Narrative Report	Compact and Threshold funds only
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2	Disbursement Request/Quarterly Financial Report/Detailed Financial Plan	Compact, Threshold and CDF Funds if Accountable Entity managed
3	Procurement Performance Report	Report Compact, Threshold, CDF Funds
4	Indicator Tracking Table	Compact and Threshold funds only
5	Conditions Precedent Report (if applicable)	Compact, Threshold and CDF Funds
6	Fiscal Agent Certificate (if applicable)	Compact, Threshold and CDF Funds if Accountable Entity managed
7	Procurement Agent Certificate (if applicable)	Compact, Threshold and CDF Funds if Accountable Entity managed
8	Accountable Entity Certificate	Compact, Threshold and CDF Funds if Accountable Entity managed

In accordance with the compact/threshold program and relevant supplemental agreements, the Accountable Entity will submit work plans with the quarterly disbursement request package if so required². In some cases, MCC will request that the Accountable Entity also submit additional planning documents with the DR package.

1. Narrative Report

The Narrative Report briefly explains the significant factors behind the requested funding in the upcoming quarter. The report also presents the opportunity to provide a high-level explanation if the previous quarter's disbursement and activity projections were not met, and to explain any major deviations or changes to the implementation plans. Unless otherwise agreed between the Accountable Entity and MCC, the template provided in Annex 1 will be followed.

See Annex 1 for the narrative report format and detailed guidance.

2. Financial Reports (QFR/DFP/DR)

The required financial reports include: Detailed Financial Plan (DFP), the Quarterly Financial Report (QFR) schedules, and the DR. These reports provide an overview of the Accountable Entity's financial activities over the previous quarter(s) and justify any proposed request for Spending Authority³ in next

quarter; they are also used to notify MCC of any proposed adjustments to the Multi-Year Financial Plan (MYFP). The Fiscal Agent, with support from MCC Program Financial Services staff, is responsible for assisting the Accountable Entity in preparation of the financial reports.

Please note that the preliminary submission is part of a package designed to support the request for Accountable Entity Spending Authority for the next quarterly accounting period.

Separate financial reports are required for all MCC funding. There are four types of MCC funding sources:

- Compact
- Threshold Program
- Compact Development Funding (CDF): 609(g)
- Compact Development Funding (CDF): CIF

The financial reports consist of the following schedules:

1. **DFP Commitments/DFP Disbursements:** The DFP Commitments and DFP Cash comprise the Detailed Financial Plan, which reflects the funding that the Accountable Entity expects to commit and the cash (in the form of Accountable Entity Spending Authority) it expects to need to carry out the tasks included in the work plans and other related QDRP documents. For planning purposes, the DFP breaks down these categories to the activity level (or beyond to the sub-activity, where appropriate given the level of detail included in the MYFP) on a quarterly basis over its life. In addition, the Accountable Entity must not exceed the activity-level Accountable Entity Spending Authority included in the approved DFP Cash and is responsible for monitoring this throughout the disbursement period.
2. **QFR Schedule A⁴ /QFR Schedule B⁵:** Schedules A and B account for proposed and executed reprogramming (reallocation) of funds across projects and/ or activities within projects.
3. **Disbursement Request (DR):** The Disbursement Request is a form that Accountable Entities use to request Spending Authority for the next quarter or such other period agreed by MCC. The DR is executed by authorizing signatures from individuals authorized to do so under the grant agreement.

See Annex 2 for detailed guidance on the financial reports.

3. Procurement Performance Report (PPR)

The Procurement Performance Report (PPR) is a reporting tool for procurement actions initiated by the Accountable Entity. The report is cumulative, so as to provide an overview of all completed and ongoing procurements.

The PPR should include all approved, initiated, ongoing, and/or completed procurement actions valued at or above US\$25,000. This includes actions in the currently active and approved Procurement Plan, even if

these actions have not yet begun. The PPR includes unique IDs for each procurement action for easy sorting.

The purpose of the PPR is for each Accountable Entity to provide MCC with a summary of the current status of procurements across its Program and thereby assist MCC in monitoring Accountable Entity compliance with the Program Implementation Agreement (PIA) or Procurement Agreement and the Procurement Plans. The PPR has six sections:

- Procurement Information
- Expression of Interest/Pre-Qualification
- Bidding/Solicitation Documents
- Evaluation of Bids/Proposals/Quotes
- Contract Award
- Implementation

See Annex 3 for detailed guidance on the PPR.

4. Indicator Tracking Table (ITT)

The Indicator Tracking Table (ITT) is a quarterly reporting tool that displays performance targets (projections) and tracks progress against them (actuals). The ITT is designed to help MCC and Accountable Entities track interim progress toward compact goals. All performance indicators that are included in the latest approved M&E Plan for the compact should be included in the ITT. This includes indicators at all levels of the results hierarchy including lower level output and process indicators. A complete ITT provides detailed information that shows cumulative past performance, recently completed performance, and the remaining annual targets for each performance indicator.

Quarterly targets are not required as part of the reporting template to MCC. However, reporting of actuals shall follow the frequency specified in Annex I of the M&E Plan, e.g., quarterly or annually (to be assessed against an annual target).

The ITT should only report against indicators and targets approved in the M&E Plan. Modifications to indicators and targets must be approved through an M&E Plan revision before they may be made in the ITT.

The ITT must be submitted in MCC MIS and also completed in Excel.

See Annex 4 for detailed guidance on the ITT.

5. Conditions Precedent Report

The Conditions Precedent (CP) report is designed to report on the status of CPs to disbursement. The CP

report captures information about the timing, associated project activities, status and relevant documentation for each CP. This report also tracks all CP deferrals or waivers requested by the Accountable Entity. It is important for Accountable Entities to be specific about the documentation providing evidence of CP satisfaction, and to include a justification for any CP deferral requests.

See Annex 5 for the CP Report format and guidelines.

Report Templates

Please refer to the following Annex documents on the MCC website at:

https://www.mcc.gov/resources?fwp_resource_type=compact-implementation-guidance

- DR Annex 1: [Narrative Report Form](#)
- DR Annex 2: [Financial Report forms \(DFP/QFR/DR\)](#)
- DR Annex 2a: [Guidance on Financial Reports](#)
- DR Annex 3: [Procurement Performance Report Form](#)
- DR Annex 3a: [Guidance on the PPR](#)
- DR Annex 4: [Indicator Tracking Table Form](#)
- DR Annex 4a: [Guidance on the ITT](#)
- DR Annex 5: [Conditions Precedent Report Form](#)

Endnotes

1. One DRL can approve a DR package from multiple funding sources, provided that it is clearly stated in the DRL.
2. Work plans are sometimes included in the Program Implementation Agreement, or in the case of Threshold Programs, the grant agreement – as requirements for disbursements. Please consult the PIA or Threshold Program Grant Agreement
3. AE Spending Authority is the sum of the Activity-level sub-totals included in the approved DFP Cash schedule for the relevant quarter.
4. Multi Year Financial Plan Adjustment Request Form
5. Summary of Multi Year Financial Plan Adjustments to Date